

## House Resolution 3

By: Representatives Lindsey of the 54<sup>th</sup>, Stephens of the 164<sup>th</sup>, Powell of the 29<sup>th</sup>, Scott of the 2<sup>nd</sup>, Wilkinson of the 52<sup>nd</sup>, and others

## A RESOLUTION

Proposing an amendment to the Constitution so as to provide for limitations upon the rate of increase of the assessed value of real property for state, county, municipal, or educational ad valorem tax purposes; to provide for a definition; to provide for procedures; to provide for exceptions; to provide for the submission of this amendment for ratification or rejection; and for other purposes.

BE IT RESOLVED BY THE GENERAL ASSEMBLY OF GEORGIA:

## SECTION 1.

Article IX, Section IV of the Constitution is amended by adding a new Paragraph at the end thereof to read as follows:

"Paragraph V. *Limitations on assessed value increases for real property.* (a) With respect to real property the rate of increase of the assessed value of such property for state, county, municipal, or educational ad valorem tax purposes shall not exceed an aggregate of 9 percent for each three-year period of successive ownership and, except as provided in this subparagraph, shall not exceed from one taxable year to the succeeding taxable year the lesser of 3 percent or the percent change in the rate of economic inflation on individual taxpayers as determined by the state revenue commissioner. For such purpose, the state revenue commissioner may use the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics of the United States Department of Labor and any other reliable economic indicator determined by the state revenue commissioner to be appropriate. Within such three-year period, such 3 percent limitation shall operate in a cumulative manner so if an increase in one year is less than 3 percent, the 3 percent cap for the next succeeding year shall be increased by an amount equal to the difference in the actual percentage increase in the preceding year and 3 percent.

(b) The limitations specified under subparagraph (a) of this Paragraph shall not apply to:

(1) The first year in which such real property is taxable to a new owner after a transfer of ownership; provided, however that such limitations shall continue to apply without interruption in cases of transfer that do not constitute an arm's length transaction. Such

1 cases shall include transfers as a result of the death of a spouse or in cases of divorce and  
2 such other similar transfers as may be provided by general law;

3 (2) New construction, additions, or improvements to real property; and

4 (3) Real property subject to Article VII, Section I, Paragraph III(e) of this Constitution.

5 (c) The General Assembly shall provide by general law for the implementation and  
6 administration of this Paragraph."

7 **SECTION 2.**

8 The above proposed amendment to the Constitution shall be published and submitted as  
9 provided in Article X, Section I, Paragraph II of the Constitution. The ballot submitting the  
10 above proposed amendment shall have written or printed thereon the following:

11 "( ) YES Shall the Constitution of Georgia be amended so as to provide for limitations  
12 upon the rate of increase of the assessed value of real property for state,

13 ( ) NO county, municipal, or educational ad valorem tax purposes?"

14 All persons desiring to vote in favor of ratifying the proposed amendment shall vote "Yes." All  
15 persons desiring to vote against ratifying the proposed amendment shall vote "No." If such  
16 amendment shall be ratified as provided in said Paragraph of the Constitution, it shall become  
17 a part of the Constitution of this state.